

# AMA calls for sustainable funding of long-term care and support

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In 2015, national spending for long-term services and support (LTSS)— clinical health and social services that assist individuals in their activities of daily living—exceeded \$331 billion, more than half of which was funded by Medicaid spending.

During the 2018 AMA Annual Meeting, the House of Delegates (HOD) recognized the growing importance of LTSS and the financial burden they place on many families.

“Rising costs of everything from home ownership to higher education are making it harder than ever for Americans to save for retirement and the long-services and supports that more and more people require,” said AMA Board Member Stephen R. Permut, MD, JD.

“Our hope is that the policies and recommendations we are making today will provide feasible steps forward to alleviating the financial strain on families and Medicaid of providing LTSS,” Dr. Permut added. “With demand for LTSS likely doubling over the next 30 years, the time for action and forward-facing reforms is now.”

Delegates adopted new policy to support:

- Standardizing and simplifying private long-term care insurance (LTCI) to achieve increased coverage and improved affordability.
- Adding transferable and portable LTCI coverage as part of workplace automatic enrollment with an opt-out provision potentially available to both current employees and retirees.
- Allowing employer-based retirement savings to be used for LTCI premiums and LTSS expenses, including supporting penalty-free withdrawals from retirement savings accounts for purchase of private LTCI.
- Innovations in LTCI product design, including the insurance of home-and community-based services, and the marketing of long-term care products with health insurance, life insurance,

and annuities.

Permitting Medigap plans to offer a limited LTSS benefit as an optional supplemental benefit or as separate insurance policy.

Medicare Advantage plans offering LTSS in their benefit packages.

Permitting Medigap and Medicare Advantage plans to offer a respite care benefit as an optional benefit.

Back-end public catastrophic long-term care insurance program.

Incentivizing states to expand the availability of and access to home and community-based services.

Better integration of health and social services and supports, including the Program of All-Inclusive Care for the Elderly.

## Expanding coverage in nursing facilities

Medicare covers 100 percent of the cost for 20 days of a patient's stay in a skilled nursing facility. On day 21 of a stay, Medicare coverage leaves a daily co-insurance (currently at \$167) as the patient's family's responsibility. For many, the cost is burdensome or even impossible to cover.

In an effort to protect against those costs, the HOD directed the AMA to: Work to identify additional mechanisms by which patients' out-of-pocket costs for skilled nursing facility care can be fairly covered.

Read more news coverage from the 2018 AMA Annual Meeting.